

EXHIBIT 59

TONY UEBER
July 27, 2022

UNITED STATES BANKRUPTCY COURT

DISTRICT OF DELAWARE

In re:

RS FIT NW LLC,	:	Chapter 11
	:	Case No. 20-11568(KBO)
Debtor.	:	(Jointly Administered)
:		
24 HOUR FITNESS WORLDWIDE,	:	
INC.,	:	
	:	
Plaintiff,	:	
	:	
-vs.-	:	
CONTINENTAL CASUALTY COMPANY;	:	
ENDURANCE AMERICAN SPECIALTY	:	
INSURANCE COMPANY; STARR	:	
SURPLUS LINES INSURANCE COMPANY;	:	
ALLIANZ GLOBAL RISKS US INSURANCE	:	
COMPANY; LIBERTY MUTUAL INSURANCE	:	
COMPANY; BEAZLEY-LLOYD'S	:	
SYNDICATES 2623/623;	:	
ALLIED WORLD NATIONAL ASSURANCE	:	
COMPANY; QBE SPECIALTY INSURANCE	:	
COMPANY; and GENERAL SECURITY	:	
INDEMNITY COMPANY OF ARIZONA,	:	
	:	
Defendants.	:	

JULY 27, 2022

ZOOM VIDEOTAPED VIDEOCONFERENCE DEPOSITION OF
TONY UEBER, held via remote teleconference hosted by U.S.
Legal Support, located at 1818 Market Street, Suite 1400,
Philadelphia, Pennsylvania, on Wednesday, July 27, 2022,
at 12:02 p.m. before Michelle Keys, a Stenographer and
Notary Public of the Commonwealth of Pennsylvania.

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1 - - -	1 this action, nor am I financially
2 (It is hereby stipulated and agreed	2 interested in the outcome.
3 by and between counsel for the respective	3 At this time, will the reporter
4 parties that sealing, certification, and	4 Michelle Keys, on behalf of U.S. Legal
5 filing are waived; and that all	5 Support please enter the statement for
6 objections, except as to the form of the	6 remote proceedings into the record.
7 question, are reserved until the time of	7 THE STENOGRAFHER: The attorneys
8 trial.)	8 participating in this deposition
9 THE VIDEOGRAPHER: Good afternoon.	9 acknowledge that I am not physically
10 We are now on the record.	10 present in the deposition room and that I
11 Participants should be aware that	11 will be reporting this deposition
12 this proceeding is being recorded, and, as	12 remotely. They further acknowledge that,
13 such, all conversations held will be	13 in lieu of an oath administered in person,
14 recorded unless there is a request and	14 the witness will verbally declare his/her
15 agreement to go off the record.	15 testimony in this matter is under penalty
16 This is the remote video-recorded	16 of perjury. The parties and their counsel
17 deposition of Tony Ueber. Today is	17 consent to this arrangement and waive any
18 Wednesday, July 27, 2022, and the time is	18 objections to this manner of reporting.
19 approximately 12:02 p.m. Eastern. We are	19 Attorneys, please indicate your name,
20 here in the matter of 24 Hour Fitness	20 as well as who you represent, and your
21 Worldwide, Inc., versus Continental	21 agreement on the record.
22 Casualty Company.	22 MR. DENN: Matt Denn for CNA, agreed.
23 My name is James Soto, Junior, remote	23 MR. WEISS: David Weiss for
24 video technician on behalf of U.S. Legal	24 24 Hour Fitness, and on behalf of
25 Support. I am not related to any party in	25 Mr. Ueber, agreed.
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1 MR. ANDERSON: Dennis Anderson for	1 - - -
2 QBE Specialty Insurance Company and	2 E X A M I N A T I O N
3 General Security Indemnity Company of	3 - - -
4 Arizona, and on their behalf, we agree.	4 BY MR. DENN:
5 THE STENOGRAFHER: I'm still waiting	5 Q. Good morning, Mr. Ueber. You said it's
6 on three people.	6 11:00 o'clock where you are?
7 MR. MCNABNEY: Joel McNabney on	7 A. It is, yes.
8 behalf of Liberty Mutual, agrees.	8 Q. And, good morning. My name is Matt Denn. I
9 MS. MCDONNELL: Marlie McDonnell from	9 represent Continental Casualty. I'm going to be
10 Clyde & Co for Defendant Allianz, and we	10 taking your deposition today.
11 agree.	11 Have you -- have you had your
12 MR. WHANG: Calvin Whang for	12 deposition taken before?
13 Defendant Allied World National Assurance	13 A. I have, yes.
14 Company, and we agree.	14 Q. Okay. You -- you probably know the process.
15 - - -	15 I'll just run through, quickly, some of the
16 TONY UEBER,	16 formalities.
17 after having been first duly sworn,	17 You've just been sworn in by a court
18 was examined and testified as follows:	18 reporter. So you're -- you're testifying under oath
19 - - -	19 today, just as you would be if you were testifying
20 THE STENOGRAFHER: Thank you.	20 in court. I'm going to have a series of questions
21 You may proceed.	21 for you. If at any point one of my questions is
22 ///	22 unclear or you don't understand it, then please just
23 ///	23 ask me to clarify my question and I'd be happy to do
24 ///	24 that.
25 ///	25 If you answer a question, we'll

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<p style="text-align: right;">Page 38</p> <p>1 THE WITNESS: I would say generally 2 speaking, yes. 3 BY MR. DENN: 4 Q. Is -- is the draft letter correct that in the 5 weeks leading up to March 15th, the company had seen 6 a significant decline in club member traffic and 7 sign-ups? 8 A. That's what it says in the letter, so I would 9 assume that that was true. 10 Q. Well, I certainly don't want you to assume. 11 I'm just asking you based on your recollection if -- 12 if that was a -- was a correct statement at the 13 time? 14 A. Yes. 15 MR. WEISS: Objection to form. 16 THE WITNESS: Yes. 17 MR. WEISS: You can go ahead and 18 answer. 19 THE WITNESS: Yes. 20 BY MR. DENN: 21 Q. Is the letter also correct that this decline 22 had put an even greater financial strain on an 23 already challenging financial position? 24 MR. WEISS: Objection to form. 25 THE WITNESS: Yes.</p>	<p style="text-align: right;">Page 39</p> <p>1 BY MR. DENN: 2 Q. Could you -- could you describe what that 3 already challenging financial position was? 4 A. I think at the time, it was the decline in 5 guest traffic through the beginning of the year, 6 primarily as a result of people's concern around 7 COVID. 8 Q. And to that point, is it correct that the 9 pandemic in the first two weeks of March of 2020 was 10 having a dramatic impact on the company's business? 11 MR. WEISS: Objection to form. 12 THE WITNESS: Yes. 13 BY MR. DENN: 14 Q. In this draft message from March 15th, there 15 are a list of six bullet points representing various 16 changes that will happen in the company. 17 Does this represent what your plan 18 was on March 15th with respect to potential changes 19 at the company? 20 A. Yeah. Again, I don't know if this is the 21 final version of the document or final, you know, 22 version of the steps that we were planning to take. 23 It was a very, very fluid situation throughout that. 24 I think -- I don't know if March 15th was -- must 25 have been a Sunday, right?</p>
<p style="text-align: right;">Page 40</p> <p>1 So, at that point, we were doing -- 2 trying to do everything we could to be able to 3 operate the clubs in a safe manner and be able to, 4 you know, manage the business to meet the demand. 5 Q. Could you explain what you meant by the -- 6 the last thing that you just said, "manage the 7 business to meet the demand"?</p> <p>8 A. Well, sure. When the demand goes down, you 9 need to take actions to reduce expenses and reduce 10 staffing, which is normal course of business. 11 Q. So looking at this list of bullet points, 12 the -- the first one "Overall reduction of labor 13 hours by 30 percent," is that an effort to do what 14 you just described, to adjust staffing to meet 15 traffic?</p> <p>16 A. Correct.</p> <p>17 Q. And then the second -- the "Temporary closure 18 of Kid's Clubs," was that the purpose of that or was 19 there a different purpose to that?</p> <p>20 A. That probably was two purposes. One, to 21 reduce expenses; and, two, again, to, you know, 22 ensure the health and safety of our members, team 23 members, and their children.</p> <p>24 Q. And then number 3, the -- the "elimination of 25 the overnight hours." Was -- was that for staffing</p>	<p style="text-align: right;">Page 41</p> <p>1 reasons?</p> <p>2 A. That would have been twofold as well. One, 3 to reduce expenses; and then also to give us 4 opportunities to be able to clean the clubs if we 5 needed to.</p> <p>6 Q. There is a reference to "Significant 7 modification of GX 24 schedules."</p> <p>8 What is GX 24?</p> <p>9 A. Again, those are group fitness classes. So 10 that would have had a twofold as well. One, to 11 reduce expenses; and, two -- I don't remember the 12 exact specific things that were happening in the 13 public health environment at that point, but one of 14 them was creating support for social distancing.</p> <p>15 Our group exercise rooms tend to be 16 small. You know, you've got a lot of people in 17 there for various types of classes, whether it's 18 Zumba or yoga class or kickboxing class or whatever 19 it might be, so it's more difficult to be able to 20 ensure people have the space that they would have 21 needed in order to social distance. So it was 22 certainly safer to close those spaces and not take 23 risks.</p> <p>24 Q. And the elimination of the low-attendance 25 classes, was that -- that was to adjust staffing to</p>

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1 A. Yes.	1 please?
2 Q. And the purpose of the -- the letter is to	2 BY MR. DENN:
3 let people know what changes the company is going to	3 Q. Sure.
4 be making and to explain the reason for those	4 There is a section of this draft
5 changes?	5 message that is entitled "Changes to Operating Our
6 MR. WEISS: Objection to form.	6 Business."
7 THE WITNESS: Yes. July 27, 2022	7 Do you see that?
8 BY MR. DENN:	8 A. Yes.
9 Q. So this draft is dated March 15, 2020.	9 Q. And there are three bullet points and then a
10 Does -- does this draft indicate to	10 fourth one which says "Additional decisions here?"
11 the best of your recollection what the plan was on	11 Any other moves we are making?"
12 March 15, 2020, and what the public explanation for	12 Do you see that?
13 that plan would be on March 15, 2020?	13 A. Yes.
14 MR. WEISS: Objection to form.	14 Q. So -- so do the three bullet points represent
15 THE WITNESS: Yes. As of 7:44 p.m.	15 the changes to operating the business that
16 and as of draft 4 of God knows how many	16 24 Hour Fitness was planning as of March 15, 2020?
17 drafts.	17 MR. WEISS: Objection to form.
18 BY MR. DENN:	18 THE WITNESS: Yes. As of March 15th,
19 Q. And the plan as far as what was going to be	19 we were trying to do two things: One, you
20 communicated to -- to members and -- and the rest of	20 know, act on the best available
21 the outside community is these three bullet points	21 information at the time in order to
22 that are listed under "Changes to Operating Our	22 provide a safe environment for our team
23 Business"?	23 members and our members, which is what the
24 MR. WEISS: Objection to form.	24 touch-free club check-in with 24 Hour GO,
25 THE WITNESS: Can you rephrase,	25 promoting the programs and workouts that
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1 we had on the 24GO app, our meal delivery,	1 that was our best thinking on what it
2 pointing out other benefits that we could	2 would take to be able to both meet
3 provide to people to keep them engaged	3 members' needs, keep our members engaged,
4 with us if they weren't comfortable coming	4 and keep the clubs open in the context of
5 to the club because a lot of members	5 the broader public health disaster that
6 clearly weren't comfortable coming to the	6 was unfolding in front of us.
7 club, which was indicative of the decline	7 BY MR. DENN:
8 in member check-ins, and also the decline	8 Q. And to the point that you just made, there's
9 in guest traffic.	9 a -- a sentence immediately after these bullet
10 And it was also letting them know	10 points that says "These decisions also follow CDC,
11 about the specific operational changes	11 local, and state health agency social distancing
12 that were being made. Again, temporary	12 recommendations and will help us keep the club
13 closing all the Kid's Clubs because those	13 environment healthy and safe for everyone."
14 are smaller spaces where, you know, we	14 Do you see that?
15 weren't -- we didn't know whether or not	15 A. Yes.
16 they were safe for the kids to be in.	16 Q. So were -- were these -- were these steps the
17 Closing overnight in order for -- to allow	17 company's best efforts to ensure member and staff
18 us to be able to ensure that the clubs	18 health and safety as of March 15, 2020, based on the
19 were -- we had time to clean the clubs.	19 information that you had?
20 And then getting -- you know, removing the	20 A. Yes.
21 GX classes, which again were in smaller	21 Q. And -- and going back to the -- the paragraph
22 spaces. Either canceling the classes or	22 that precedes those bullet points it says "This
23 moving them into the larger spaces in the	23 unprecedented situation is having a dramatic impact
24 basketball courts.	24 on our business and our people, and it is imperative
25 So, yes, that was -- at the time,	25 that we take immediate action to ensure we can

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<p style="text-align: right;">Page 70</p> <p>1 continue providing services to you, our club 2 members, and maintain our business for our team 3 members over the long term."</p> <p>4 "Team members" is -- is staff people?</p> <p>5 A. Yes.</p> <p>6 Q. So -- so when you say "maintain our business 7 for our team members over the long term," ^{TONY UEBER} _{July 27, 2022} 8 what is that a reference to?</p> <p>9 A. I'm not sure that that would have been 10 anything that would have made it -- just rereading 11 that, I would be surprised if that was in the final 12 version because it doesn't feel very elegant. But I 13 think it's just making sure that we can keep the 14 clubs open for our team members and our members in a 15 safe and effective manner given the -- given the 16 circumstances.</p> <p>17 Q. There has been some reference during this 18 case to 24 Hour Fitness assuming that COVID-19 was 19 present in all of its clubs.</p> <p>20 Did you assume that COVID-19 was 21 present in all of 24 Hour Fitness' clubs?</p> <p>22 MR. WEISS: Objection to form.</p> <p>23 THE WITNESS: I think, at that point, 24 given, you know, how things were 25 unfolding, you know, at the date of this</p>	<p style="text-align: right;">Page 71</p> <p>1 letter on March 15th, we felt like these 2 actions were the appropriate actions to 3 take, given the information that we had in 4 order to ensure the safety of our members 5 and team members from COVID, which was -- 6 you know, we were getting more and more 7 information hourly at this point on the 8 spread and how many people were infected 9 and where people were that were infected 10 across all the different geographies that 11 we did business within.</p> <p>12 So, yes, at this point, we felt like 13 these actions would enable us to be able 14 to keep the clubs open, follow the 15 guidelines that were being, you know -- 16 that were being offered by public health 17 officials, and be able to keep the clubs 18 open for people and for our team members.</p> <p>19 BY MR. DENN:</p> <p>20 Q. In terms of my question, did you -- did you 21 assume that COVID-19 was present in -- in each and 22 every one of the clubs?</p> <p>23 A. I think we had to assume that it certainly 24 could have been present in all of the clubs at that 25 point.</p>
<p style="text-align: right;">Page 72</p> <p>1 Q. Did you assume that it, in fact, was present?</p> <p>2 A. Well, we assumed that it was because we took 3 these actions to be able to mitigate any spread if 4 it was present in the clubs.</p> <p>5 Q. Do you recall on what date you began to 6 assume that it was present in all the clubs?</p> <p>7 MR. WEISS: Objection to form.</p> <p>8 THE WITNESS: I think -- yeah. I 9 mean, I think -- this was a Sunday, the 10 15th. And I think as -- and then at this 11 point, we felt like -- you know, we felt 12 like it was still possible to be able to 13 mitigate -- you know, mitigate the spread. 14 So if somebody did have COVID, but they 15 were masked, they were dis- -- you know, 16 6 feet of social distancing, we were 17 disinfecting the clubs. We had touch-free 18 check-in. You know, I think at this ^{U.S. Legal Support www.uslegalsupport.com} 19 point, I can't recall whether we had 20 plastic partitions put up at the front 21 desk or not, just like a lot of other 22 businesses were doing at this point this 23 time.</p> <p>24 So we felt that these actions would 25 allow us to keep the clubs open and have a</p>	<p style="text-align: right;">Page 73</p> <p>1 confidence level that we would be able to 2 mitigate any risk of transmission within 3 the clubs.</p> <p>4 I think as this unfolded over the 5 next couple of days and it became apparent 6 that this was much bigger and more 7 dangerous and more transmissible, and that 8 these actions may not be sufficient, 9 that's when, you know, we decided to make 10 the decision to close the clubs in -- 11 yeah, you know, in the best interest of 12 our members and team members because we 13 weren't confident that we would be able 14 to, you know, control or mitigate the 15 spread of the virus inside of the clubs at 16 that point, given what we knew.</p> <p>17 BY MR. DENN:</p> <p>18 Q. So just sticking with -- with this date of 19 March 15th, you -- you presumed on March 15th that 20 COVID-19 was present in all the clubs?</p> <p>21 A. I think we had to presume that COVID-19 was 22 present, otherwise why take these actions to 23 mitigate the spread of COVID-19?</p> <p>24 Q. And do you recall when you began to make that 25 assumption? If it was that day, a week prior to</p>

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<p>1 that day, two weeks prior?</p> <p>2 At what point you began to assume</p> <p>3 that it was present in all the clubs?</p> <p>4 MR. WEISS: Objection to form.</p> <p>5 THE WITNESS: I mean, I don't recall</p> <p>6 at that point. Again, you know, it's --</p> <p>7 it was a very rapidly evolving situation</p> <p>8 We're getting new information every day</p> <p>9 from state, local, and national public</p> <p>10 health officials about, you know, what</p> <p>11 needed to be done to mitigate the</p> <p>12 transmission and -- and what was working</p> <p>13 and what wasn't working.</p> <p>14 BY MR. DENN:</p> <p>15 Q. So as of this email exchange on March 15th, I</p> <p>16 just want to make sure I understand. You presumed</p> <p>17 that COVID was present in all the clubs, but you</p> <p>18 believe that the steps outlined in this letter were</p> <p>19 sufficient to -- to protect the health of staff and</p> <p>20 members?</p> <p>21 A. Correct.</p> <p>22 MR. WEISS: Objection to form.</p> <p>23 BY MR. DENN:</p> <p>24 Q. So if we can jump up one day later to</p> <p>25 March 16th. The plan changed on March 16th,</p>	<p>1 correct?</p> <p>2 A. Sometime on the 15th, 16th, yes.</p> <p>3 Q. And I think you indicated that you, along</p> <p>4 with the board and owners, were the -- the people</p> <p>5 who made the ultimate decision to close all the</p> <p>6 clubs?</p> <p>7 A. Correct.</p> <p>8 Q. What -- what new piece of information did you</p> <p>9 receive between the -- you know, the drafting of</p> <p>10 this document and -- and March 16th that changed</p> <p>11 your -- your view as to what the plan should be?</p> <p>12 A. I don't recall specifically. So generally</p> <p>13 speaking, I think, you know, we were getting more</p> <p>14 information again from state, local, and public</p> <p>15 health officials. More states were issuing -- and</p> <p>16 local municipalities were issuing orders to close</p> <p>17 health clubs and -- and other businesses.</p> <p>18 And it became -- you know, people</p> <p>19 were stopped -- people were stopping travel. It</p> <p>20 just -- this became more and more apparent that this</p> <p>21 was bigger and more serious. And nobody had a good</p> <p>22 answer on what needed to be done in order to control</p> <p>23 the spread. And that was the information that then</p> <p>24 led us to say the actions that we had, you know,</p> <p>25 thought would be sufficient over the course of the</p>
<p>1 weekend were -- were not sufficient.</p> <p>2 We didn't feel at that point that</p> <p>3 we -- we could comfortably ensure the health and</p> <p>4 safety of our team members and members. And so we</p> <p>5 made what, you know, was a very difficult decision</p> <p>6 to close all the clubs until we could sort through,</p> <p>7 you know, what needed to be done, if anything, at</p> <p>8 that point, which is why one of the reasons we</p> <p>9 referred to a temporary closure in a lot of the</p> <p>10 communications because we weren't sure how long this</p> <p>11 was going to take, how long the pandemic was going</p> <p>12 to last, what new information would come out and</p> <p>13 what type of risk mitigation actions needed to be</p> <p>14 taken.</p> <p>15 So, you know, in the best interests</p> <p>16 of our team members' and members' health, we made</p> <p>17 the difficult decision to close the clubs until we</p> <p>18 could have a better handle on where things stood</p> <p>19 what needed to be done.</p> <p>20 Q. Sitting here today, would you agree that --</p> <p>21 that the difference between the steps that were</p> <p>22 outlined on March 15th and closing all clubs</p> <p>23 nationally is -- is fairly significant?</p> <p>24 A. It -- taking the actions that we were taking</p> <p>25 were already very significant. This was just the</p>	<p>1 next step in -- you know, 100 percent assurance that</p> <p>2 this virus was not going to be spread in the clubs</p> <p>3 until we could get more information on what we</p> <p>4 needed to do to -- to be able to operate safely.</p> <p>5 Q. And sitting here today, you don't recall any</p> <p>6 specific piece of public health information that you</p> <p>7 received on the 16th that -- that caused the -- the</p> <p>8 change?</p> <p>9 MR. WEISS: Objection to form.</p> <p>10 THE WITNESS: I don't. No. I mean,</p> <p>11 it's -- no.</p> <p>12 BY MR. DENN:</p> <p>13 Q. On the 16th, you also learned that</p> <p>14 Fitness International was going to be closing all of</p> <p>15 its clubs that evening, right?</p> <p>16 A. Yes.</p> <p>17 Q. And Fitness International is LA Fitness?</p> <p>18 A. Correct.</p> <p>19 Q. And are they one of your primary competitors?</p> <p>20 A. Yes.</p> <p>21 Q. And that was -- that was new information to</p> <p>22 you on the 16th, that they were going to be closing</p> <p>23 that evening?</p> <p>24 A. Yes. Specifically that they were going to</p> <p>25 close all their clubs on -- on that date at a</p>

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<p style="text-align: right;">Page 78</p> <p>1 specific time. Was new information -- I can't 2 recall whether they'd already closed some clubs in 3 some markets or not, but as far as broad, national 4 closure, yes, that was new information.</p> <p>5 Q. And you -- you forwarded that information on 6 to your investors on the 16th as well, correct?</p> <p>7 A. If there's a letter to that effect TONY UEBER July 27, 2022 8 don't recall. But I would assume so.</p> <p>9 Q. Well, if you can pull out Exhibit Q, and I 10 think that that is 11 for your deposition.</p> <p>11 A. Okay.</p> <p>12 - - -</p> <p>13 (Whereupon, Exhibit 11 was marked for 14 identification.)</p> <p>15 - - -</p> <p>16 BY MR. DENN:</p> <p>17 Q. And just let me know when you've had a chance 18 to look it over.</p> <p>19 A. Yes. Okay.</p> <p>20 Q. So this is an email from you to Roland Smith, 21 Alex Mehfar, Chandler Anthony, and Martin Eltrich, 22 correct?</p> <p>23 A. Correct.</p> <p>24 Q. And are they -- are they the owners of the 25 club, of the company?</p>	<p style="text-align: right;">Page 79</p> <p>1 A. They are one of the owners. They're the -- 2 well, Roland was the chairman. So not an owner. 3 But he was a chairman of the board. Alex, Chandler, 4 and Martin are the three principals with AEA, which 5 was the lead investor.</p> <p>6 Q. And you are forwarding to them the 7 information that LA Fitness is going to close all 8 clubs effective 8:00 p.m. on March 16th, correct?</p> <p>9 A. Correct.</p> <p>10 Q. And your email to them states "They are 11 targeting 8:00 p.m. PST. I think it would be good 12 if we could announce jointly with them and 13 Lifetime."</p> <p>14 Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. So am I correct in inferring that at the time 17 that you sent this email, that the decision had not 18 yet been made to close nationally?</p> <p>19 A. No. It -- I wouldn't make that assumption 20 based off of the email. But it is saying that if we 21 could announce with them, that that would be -- that 22 would be good.</p> <p>23 Q. Well, do you recall if at the time that you 24 sent this email that -- that -- whether or not 25 24 Hour Fitness had made its decision?</p>
<p style="text-align: right;">Page 80</p> <p>1 A. I don't recall specifically what time we made 2 that decision, no.</p> <p>3 Q. Do you recall if at the time the decision was 4 made, you were aware that LA Fitness was going to be 5 closing nationally?</p> <p>6 A. Can you repeat the question, please?</p> <p>7 Q. Sure.</p> <p>8 A. I just want to make sure I give an accurate 9 answer.</p> <p>10 Q. Yeah.</p> <p>11 I -- at the time that -- that you 12 decided to close all of 24 Hour Fitness' clubs 13 nationally, were you aware that LA Fitness was 14 planning to close all of its clubs down?</p> <p>15 A. I don't recall. No.</p> <p>16 Q. Why did you think it would be good if you 17 could announce jointly with them?</p> <p>18 A. Well, I think it shows that you know, as an U.S. Legal Support www.uslegalsupport.com 19 industry, that we're collectively taking actions to 20 do the right thing to protect members and -- and 21 team members. And that, you know, we're not out 22 there on our own. But, you know, as an industry, 23 we're doing what -- what we need to do to -- to do 24 what's right for our members and team members.</p> <p>25 Q. You've indicated that -- that health concerns</p>	<p style="text-align: right;">Page 81</p> <p>1 played a role in the change from March 15th to 2 March 16th.</p> <p>3 Did concerns -- did some of the 4 concerns that you had mentioned regarding membership 5 attrition also play a role in that decision?</p> <p>6 MR. WEISS: Objection to form.</p> <p>7 THE WITNESS: No. Not at this point.</p> <p>8 No, definitely not. I mean, this was 9 about health and public safety and making 10 sure we were doing the right thing, 11 regardless of the business implications.</p> <p>12 I mean, closing the clubs is not -- I 13 mean, you can see from the emails over the 14 weekend we were trying to do everything we 15 could to balance those two competing, you 16 know, challenges. But by this point, it 17 became apparent that, you know, there was 18 no way possible to be able to keep the 19 clubs open given the information that we 20 had. And so we made the difficult 21 decision to have to close all the clubs.</p> <p>22 I mean, that's the only information that 23 changed.</p> <p>24 BY MR. DENN:</p> <p>25 Q. Okay.</p>

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<p>1 A. The business trends were the business trends. 2 There was no business trend difference between that 3 Sunday and that Monday.</p> <p>4 Q. If you could take a look at Exhibit R. And 5 we can mark that as --</p> <p>6 MR. DENN: Let me ask the court reporter. I forgot. Is it 11 of July 27, 2022</p> <p>7 THE WITNESS: I believe it's 12.</p> <p>8 THE STENOGRAPHER: It's 12.</p> <p>9 MR. DENN: Okay. And I can mark this as Exhibit 12.</p> <p>10 - - -</p> <p>11 (Whereupon, Exhibit 12 was marked for identification.)</p> <p>12 - - -</p> <p>13 BY MR. DENN:</p> <p>14 Q. And just let me know when you've had a chance to look it over.</p> <p>15 A. Yes. Okay.</p> <p>16 Q. So this is a set of documents that were sent to people internal to 24 Hour Fitness, correct?</p> <p>17 MR. WEISS: Objection.</p> <p>18 THE WITNESS: Which one? I mean, there's -- there's two -- are you referring to the email from Amy or to the</p>	<p>1 email that she forwarded from field communications?</p> <p>2 BY MR. DENN:</p> <p>3 Q. I'm referring to the attachments to -- to the email.</p> <p>4 A. Yes. They would have been internal and within the operations organization to provide more details on exactly what was happening and what they needed to do.</p> <p>5 Q. And -- and the purpose of -- of the -- just looking at the first one, which is the GM Leaders Guide?</p> <p>6 A. Yes.</p> <p>7 Q. The purpose of this document is to explain to management, people at the club level what was happening and the reasons for it?</p> <p>8 A. Correct.</p> <p>9 MR. WEISS: Objection to form.</p> <p>10 BY MR. DENN:</p> <p>11 Q. Is that correct?</p> <p>12 A. Yes. Correct.</p> <p>13 Q. Okay. So just looking at that document, if we can -- well, let me ask you first.</p> <p>14 Did you -- do you recall seeing this particular document before it went out?</p>
<p>1 A. I most likely would not have, no. I mean, this was probably within the operations team taking our macro communications and -- and moving it into more details for the club personnel. I wouldn't have reviewed this. I would be surprised if I did.</p> <p>2 Q. Whose job was it to review communications like this?</p> <p>3 A. Ultimately, it would have been Karl Sanft who was the chief operating officer at the time.</p> <p>4 Q. Okay. Looking at the first page of this GM Leaders Guide titled "What's happening?" And I just wanted to review with you the -- the language of that.</p> <p>5 The second paragraph states "Due to the outbreak of COVID-19, the world is now grappling with an issue of enormous scale and human impact. Employers everywhere are having to take emergency actions to deal with slowing business operations across the board. The current situation is similarly impacting 24 Hour Fitness. We've seen a significant decline in club member traffic and sign-ups, putting even greater strain on our already challenging financial picture. This unprecedented situation is having a dramatic impact on our business and our people, and it is imperative that</p>	<p>1 we take immediate action to ensure that we can continue providing services to our club members and sustain our business for our team members over the long term. As a result, starting the week of March 16th we are temporarily closing all clubs until further notice no later than Tuesday, March 17th, at 12:00 o'clock a.m."</p> <p>2 You see the section that I was just reading?</p> <p>3 A. Yes.</p> <p>4 Q. This GM Leaders Guide seems to indicate -- and you can correct me if I'm wrong -- to the leadership at the club level that to some degree at least, the temporary closure of all clubs is being done for business reasons, correct?</p> <p>5 MR. WEISS: Objection to form.</p> <p>6 THE WITNESS: No. I think that says in the first sentence, "Due to outbreak of COVID-19, the clubs are being closed."</p> <p>7 BY MR. DENN:</p> <p>8 Q. Yeah, I'm -- can you -- you can feel free to disagree with me about what it says. It's obviously in black and white.</p> <p>9 But is it your testimony that there is not a suggestion in this message to the club</p>

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1 THE VIDEOGRAPHER: Before we conclude 2 the deposition, Counsel, could we just 3 have all transcript and video orders on 4 the record?	1 MR. DENN: Yeah. We -- I believe 2 we've been getting a regular transcript 3 and a rough transcript. 4 MR. WEISS: Yeah. Yeah. And so, 5 James, if you have any questions, you 6 could email me after -- if you don't see, 7 like, an order in there for us. 8 Do you have my email address or -- 9 THE VIDEOGRAPHER: I believe Michelle 10 has it.
11 Mr. Ueber. 12 MR. WEISS: Thank you. 13 I think we probably have an order -- 14 like a standing order, if I'm not 15 mistaken. I do not have that because I'm 16 not -- like, I don't know the ins and outs 17 of, like, the type -- form of video and 18 stuff that we typically order, but 19 whatever we've done in the past for other 20 depositions, we'd want to do the same 21 thing here. And probably if we could just 22 get a rough transcript for the court 23 reporter, that would be good too. 24 I don't know about you guys. 25 Matt?	12 MR. WEISS: Yeah. Yeah. So just 13 send it -- 14 THE VIDEOGRAPHER: That'll work too. 15 MR. WEISS: So just send an email if 16 you have a problem. 17 THE VIDEOGRAPHER: Okay. 18 MR. WEISS: If that's okay. 19 THE VIDEOGRAPHER: Yeah. I think 20 that works. 21 Is that okay for you, Michelle? 22 THE STENOGRAFHER: Yeah. Any other 23 orders? 24 MR. ANDERSON: This is 25 Dennis Anderson for QBE and Gsinda. We would just like a full-sized and a
1 condensed PDF. 2 MR. MCNABNEY: And this is 3 Joel McNabney for Liberty Mutual. We'll 4 take a copy of the final. We don't need a 5 rough draft. Whenever the final is ready. 6 MS. MCDONNELL: Michelle, this is 7 Marlie. I emailed you our order. 8 THE STENOGRAFHER: Okay. Thank you. 9 THE VIDEOGRAPHER: And, Mr. Whang, if 10 you're still there? 11 (No verbal response.) 12 THE VIDEOGRAPHER: I'll conclude the 13 deposition right now, Counsel. 14 So with that, we conclude the 15 deposition. The time is approximately 16 2:22 p.m. Eastern. 17 Thank you, everyone. 18 - - - 19 (Whereupon, the deposition was 20 concluded at 2:22 p.m.) 21 - - -	1 CERTIFICATE 2 I HEREBY CERTIFY that the proceedings, evidence, 3 and objections are contained fully and accurately in the 4 stenographic notes taken by me upon the deposition of 5 TONY UEBER taken on JULY 27, 2022, and that this is a true 6 and correct transcript of same. 7 I FURTHER CERTIFY that I am neither attorney nor 8 counsel for, not related to nor employed by any of the 9 parties to the action in which this deposition was taken; 10 further, that I am not a relative or employee of any 11 attorney or counsel employed in this case, nor am I 12 financially interested in this action. 13  14 _____ 15 _____ 16 _____ 17 _____ 18 _____ 19 _____ 20 _____ 21 _____ 22 _____ 23 _____ 24 _____ 25 _____ (The foregoing certification of this transcript does not apply to any reproduction of the same by any means unless under the direct control and/or supervision of the certifying reporter.)

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